

VDA Governor's Budget Amendments and Conference Report Items in HB1650

March 1, 2007

Item #	Agcy	Title / Program / Purpose Explanation	HB1650	
			FY 06-07	FY 07-08
Governor	VDA	Develop 'No Wrong Door' for elderly citizens Provides funding to continue development of a 'No Wrong Door' system in the Commonwealth for the elderly to access various long-term care services without having to navigate multiple agencies. The funding will be used for a vendor contract for the software system and coordination of the overall system. Current efforts will be gradually expanded to assure statewide access.	\$0	\$554,184 GF
282 #1c	VDA	Reduce Funding for No Wrong Door System Explanation: This amendment eliminates \$50,000 from the general fund in the second year for the "No Wrong Door" system in the Department for the Aging which was earmarked for SeniorNavigator to provide support to private providers who will interact with the system. In the initial stage of development, the "No Wrong Door" system is designed to improve statewide access to long-term care services for the elderly. The system will develop a computerized uniform assessment instrument to screen the elderly for state long-term care services and a web portal which will allow sharing of this information by multiple state agencies. Remaining general fund support for this initiative of \$504,184 will enable the department to contract with a software developer for the "No Wrong Door" system and develop the in-house expertise to manage the system in future years.	\$0	(\$50,000) GF
Governor	VDA	Increase home delivered meals for the elderly Adds funds to increase the number of meals delivered to elderly citizens in their homes. The 25 Area Agencies on Aging (AAAs) have identified a significant number of people in need of nutritional meals. In addition, volatile fuel costs have had a negative impact on the number of meals that each AAA can provide. This funding will allow the AAAs to provide an additional 135,000 meals year.	\$0	\$704,000 GF
281 #1c	VDA	Increase Home-Delivered Meals for Elderly Explanation: This amendment provides \$300,000 from the general fund in the second year to increase the number of home-delivered meals provided to the frail elderly by local Area Agencies on Aging. The introduced budget contained \$704,000 GF the second year, bringing the total additional funding for home-delivered meals to \$1.0 million. It is estimated that this funding will provide approximately 16,043 additional home-delivered meals each month.	\$0	\$300,000 GF
Governor	VDA	Maintain statewide services oversight Provides funds to offset the declining federal share of salary and other fringe benefit costs. The agency's main federal grant, the Older Americans Act, has experienced minor increases in recent years and actually decreased in fiscal year 2006. As a result, the agency has absorbed the federal costs of salary and fringe benefit increases within its budget.	\$0	\$121,509 GF (\$96,509) NGF

Aging Related Governor's Budget Amendments and Conference Report Items in HB1650

Other Aging Related Budget Amendments

Item #	Agcy	Title / Program / Purpose Explanation	HB1650	
			FY 06-07	FY 07-08
278 #1c	SHHR	<p>Report on Auxiliary Grant Portability</p> <p>Language: The Secretary of Health and Human Resources shall report on the feasibility of restructuring auxiliary grants to pay for housing of consumers who receive case management services from a community services board or behavioral health authority and who are found eligible for or are currently receiving auxiliary grants. The feasibility report shall include an assessment of how an auxiliary grant could be used to meet the needs of consumers who would benefit from choosing alternative living arrangements that promote more focused recovery and independence, an estimate of the number of consumers that could be eligible for an auxiliary grant under a restructured program, and an estimate of the potential cost of the restructured program. In developing the feasibility report, the Secretary shall consult with representatives of the assisted living industry, mental health organizations, community services boards, behavioral health authorities, and consumers. The feasibility report shall be provided to the Governor, and the Chairmen of the House Appropriations and Senate Finance Committees, and the Joint Commission on Health Care, by December 1, 2007.</p> <p>Explanation: This amendment directs the Secretary of Health and Human Resources to report on the feasibility of restructuring the Auxiliary Grant program to make it a portable benefit for disabled consumers who choose housing arrangements other than assisted living facilities.</p>	\$0	\$0
278 #2c	SHHR	<p>Develop Systems to Verify Citizenship</p> <p>Language: The Secretary of Health and Human Resources shall work with the Virginia Information Technologies Agency, and the Departments of Medical Assistance Services, Health, Social Services and Motor Vehicles, to develop methods to streamline the verification of citizenship and the identity of applicants for medical assistance services and to enable caseworkers to access necessary information for eligibility purposes.</p> <p>Explanation: This amendment requires the Secretary of Health and Human Resources to work with appropriate state agencies to develop methods to streamline the verification of citizenship for applicants for the state's Medicaid program and to enable caseworkers to access necessary information for eligibility purposes. New federal law requires most Medicaid applicants and recipients to provide documentation of their U.S. citizenship and their identity. The federal regulations that implement the new law have resulted in delays in application processing, lower enrollment and large backlogs in applications. While Virginia agencies have worked to streamline procedures to ease the verification of documentation, the procedures remain cumbersome requiring considerable extra paper transactions.</p>	\$0	\$0

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278 #4c	SHHR	Plan Transfer of Adult Services & Licensing Language: The Secretary of Health and Human Resources, in cooperation with the Commissioners of the Departments for the Aging and Social Services, local service delivery agencies, and affected consumer and provider organizations, shall examine the feasibility of transferring adult services and adult services licensing from the Department of Social Services to the Department for the Aging, including an estimate of the potential cost impacts on state and local agencies and services, and the organizational changes necessary to implement such a transfer. The Secretary shall report on the feasibility of this transfer and make recommendations to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees by December 1, 2007. Explanation: This amendment directs the Secretary of Health and Human Resources to examine and report on the feasibility of transferring adult services and adult services licensing from the Department of Social Services to the Department for the Aging by December 1, 2007.	\$0	\$0
Governor	VDH	Develop interoperable electronic medical records for local health departments Provides general funds to assure that the development and implementation of an electronic medical records system for local health departments is consistent with interoperability and multi-source procurement practices established through statewide information technology standards. The agency project for electronic health records has progressed to this critical consideration.	\$0	\$500,000 GF
292 #2c	VDH	Funding for Electronic Health Records Explanation: This amendment reduces \$350,000 from the general fund in the second year contained in the introduced budget for the development of electronic health records. A total of \$150,000 remains in the second year to develop electronic health records for use by local health departments.	\$0	(\$350,000) GF
293 #7c	VDH	Funding for Electronic Health Record Grants Explanation: This amendment reduces the general fund by \$150,000 in the first year contained in the introduced budget for grants to providers for the acquisition of electronic health records. Funding of \$150,000 from the general fund remains to provide additional grants to providers in the first year.	(\$150,000) GF	\$0
Governor	VDH	Provide electronic health record grants Provides additional funding for grants to providers for the development of electronic health records and the associated need for interoperability. Grants are awarded on a competitive basis and are one-time, development-oriented. Additional funding will provide grants to candidates who submitted requests that merit grant awards but did not receive grants because of lack of funding.	\$0	\$300,000 GF
290 #1c	VDH	Technical - Correct Budget Language for Health Planning Explanation: This technical amendment deletes budget language related to the Health Planning Fund from this item. A separate amendment adds the deleted budget language to Item 293 consistent with funding in that item. This amendment also adjusts funding that directed excess revenues to the general fund that was phased out in Chapter 3 of the Acts of Assembly of 2006. Finally, the amendment clarifies that reappropriated funds are to be used for Health, Research, Planning and Coordination and not the regulation of health care facilities.	\$0	\$0

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293 #1c	VDH	Technical - Move Budget Language for Health Planning Language: This appropriation includes \$333,072 the first year and \$333,072 the second year from the general fund for the health planning fund in accordance with § 32.1-122.06, Code of Virginia. Explanation: This technical amendment moves budget language from Item 290 to Item 293 to reflect funding included within this item.	\$0	\$0
Governor	VDH	Obtain free medications Increases funding for the Rx Partnership through the Virginia Health Care Foundation to hire medication assistance caseworkers in localities throughout the state. These workers will use the Pharmacy Connection software to obtain free prescription medications from the drug companies' Patient Assistance Programs for uninsured Virginians with chronic diseases.	\$0	\$250,000 GF
Governor	DHP	Regulate medication aides Adds appropriation to support the regulation of medication aides pursuant to legislation passed by the 2006 General Assembly. The Board of Nursing is mandated to promulgate regulations for the registration of medication aides who administer drugs to residents of assisted living facilities. Board of Nursing oversight will provide a measure of safety to consumers of health care, particularly those in assisted living facilities, by ensuring that all medication aides meet minimum training and credentialing requirements established by the Board of Nursing. Revenue to support this appropriation will be derived from fees charged to newly regulated medication aides.	\$0	\$153,550 NGF 3 FTE
Governor	DMAS	Fund revenue shortfall in the Health Care Fund Adds funds to cover the shortfall in revenue for the Health Care Fund. The shortfall is due to a lower projection of tobacco taxes; reduced payments from the Master Settlement Agreement with tobacco companies; an expectation of no revenue from non-participating tobacco manufacturers; and an adjustment for Medicaid recoveries from prior years. Three of the four revenue sources for the Health Care Fund are expected to be lower. Since the fund is used as state match for the Medicaid program, any reduction in revenue must be offset from the general fund.	\$25.1 million GF (\$25.1 million) NGF	\$33.1 million GF (\$33.1 million) NGF
Governor	DMAS	Implement a Money Follows the Person demonstration grant Encourages the movement of people out of institutional settings and into the community to receive services through a matching federal demonstration grant. People in nursing facilities, intermediate care facilities for persons with mental retardation and long-stay hospitals are eligible. Additional waiver services to assist those people transition into the community will be provided. The federal incentive for this grant is a 75 percent match instead of the normal 50 percent match of the costs of waiver services for each individual for 12 months after leaving the institutional setting. In addition, the state will incur savings from the lower cost of providing community services versus institutional costs. Over the five-year period of the grant, the agency expects to move 290 people a year out of institutions.	\$0	\$489,354 GF \$ 6,747,335 NGF

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Item #	Agcy	Title / Program / Purpose Explanation	HB1650	
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302 #3c	DMAS	Money Follows the Person Program Language: The department may submit this proposal, with recommended options and funding amounts, as a request in the 2008-10 biennial budget. Explanation: This amendment eliminates funding for the Money Follows the Person Demonstration grant program. The department anticipated federal funding for this initiative, but funding was not provided in the first round of federal awards announced in January 2007. Budget language allows the department to continue seeking federal approval for the project, and permits the department to submit the proposal for consideration by the 2008 General Assembly.	\$0	(\$489,354) GF (\$ 6,747,335) NGF
Governor	DMAS	Include Chronic Obstructive Pulmonary Disease in the disease management program Provides funds to expand the state disease management program to include Chronic Obstructive Pulmonary Disease (COPD). This disease has national evidence-based guidelines for treatment and is a logical expansion of the program. The program will provide Medicaid fee-for-service clients suffering from COPD a health assessment, monitoring of their condition, education, facilitation of contact with providers and access to a nurse line to help better manage their condition and improve their health outcomes.	\$0	\$57,250 GF \$57,250 NGF
302 #4c	DMAS	Align Funding for Alzheimer's Waiver Explanation: This amendment adjusts funding to reflect anticipated expenditures in the Alzheimer's/Dementia Assisted Living Waiver. To date, enrollment in the program has been minimal, although modest growth is projected in the second year of the biennium.	(\$1,755,00 0) GF (\$1,755,00 0) NGF	(\$1,447,75 0) GF (\$1,447,75 0) NGF
Governor	DMAS	Establish an additional site for a Program for the All-Inclusive Care for the Elderly Funds an additional site for a Program for the All-Inclusive Care for the Elderly (PACE). PACE is a program based on a community model of providing long-term care services. Medicaid and Medicare funding is combined so that all services can be coordinated or provided at the PACE site. This funding is earmarked to locate a site in Northern Virginia.	\$0	\$250,000 GF
Governor	DMAS	Increase the personal needs allowance for nursing home residents Increases the personal needs allowance for Medicaid residents of nursing homes from \$30 to \$40 a month. This is the amount of their own personal income that they may use at their own discretion each month. Most of their income is dedicated to covering a portion of the costs of their care. The allowance has been \$30 a month since 1988.	\$0	\$925,235 GF \$925,235 NGF
Governor	DMAS	Authorize enhanced benefit accounts for the disease management program Authorizes the agency to proceed with the development of enhanced benefit accounts for the state disease management program and to seek any necessary federal approvals. However, the change shall not be effective prior to July 1, 2008 and the agency should develop a request for any necessary funding for consideration in the 2008-2010 biennial budget. Enhanced benefit accounts provide financial incentives to encourage healthy behaviors to improve the health outcomes of people with chronic diseases. This amendment is embedded in budget language.	\$0	\$0

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Item #	Agcy	Title / Program / Purpose Explanation	HB1650	
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Governor	DSS	Raise assisted living facility rate and personal care allowance Raises the assisted living facility rate, effective January 1, 2007, to reflect a \$66 increase (from \$982 to \$1,048) for the remainder of FY 2007 and a \$38 increase (from \$1,010 to \$1,048) for FY 2008 and captures anticipated year-end surplus funding. The new rate includes a \$20 federal Supplemental Security Income increase and an auxiliary grant (AG) increase supported with general fund dollars. The rate increase will help adult living facilities improve care. In addition, the personal care allowance is raised by \$5, from \$70 to \$75. This monthly stipend is used by AG recipients to purchase incidental items, such as non-covered medications and toiletries. The general fund support for these actions will come from an existing and anticipated surpluses in the auxiliary grant program.	(\$394,477) GF	\$394,477 GF
302 #10c	DMAS	Phase In 100 Additional DD Waivers Explanation: This amendment adds \$1.3 million in the second year from the general fund and an equal amount of federal matching funds to phase-in 100 additional community-based waiver slots under the Medicaid Individual and Family Developmental Disabilities (DD) support waiver program.	\$0	\$1,312,363 GF \$1,312,363 NGF
307#1c	DMAS	Report on Reimbursement for Uniform Assessment Instrument Language: The Director shall examine the reimbursement rate paid to screeners from local Departments of Social Services and the Virginia Department of Health or local health departments for conducting pre-admission screening evaluations according to the Uniform Assessment Instrument and assess how the reimbursement rate compares to the cost to localities of conducting the assessment. No later than September 1, 2007, the Director shall report his findings to the Chairmen of the House Appropriations and Senate Finance Committees. Explanation: This amendment requires the Director of the Department of Medical Assistance Services to examine the reimbursement rate paid to localities for performing the Uniform Assessment Instrument (UAI) and its relationship to the cost of conducting an assessment. The UAI is required for all individuals seeking nursing facility care. A report is required by September 1, 2007.	\$0	\$0
311 #1c	DMHM RSAS	Plan E-Health Records Development in CSBs Language: 2. As a condition of this appropriation, the Department of Mental Health, Mental Retardation and Substance Abuse Services, in cooperation with Community Services Boards and the Virginia Information Technologies Agency, shall develop a plan for the development of electronic health records in Community Services Boards and other technology initiatives to further the collection of data to enhance utilization review and management, the development of outcome measures, and quality improvement in providing services for persons with mental illness, mental retardation and substance use disorders. The plan shall include provisions to ensure interoperability and consistency with federal standards for the electronic exchange of health information. Explanation: This amendment directs the Department of Mental Health, Mental Retardation and Substance Abuse Services, in cooperation with others, to develop a plan for the development of electronic health records in Community Services Boards.	\$0	\$0

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Item #	Agcy	Title / Program / Purpose Explanation	HB1650	
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312 #1c	DMHM RSAS	Geriatric Mental Health Services Pilot Programs Language: Beginning July 1, 2007, the Commissioner of the Department of Mental Health, Mental Retardation, and Substance Abuse Services shall allocate \$1,000,000 from the federal Community Mental Health Services Block Grant for the development of two specialized geriatric mental health services pilot programs. One pilot shall be located in Health Planning Region II and one shall be located in Health Planning Region V. The pilots shall serve elderly populations with mental illness who are transitioning from state mental health geriatric units to the community or who are at risk of admission to state mental health geriatric units. Explanation: This amendment allocates \$1.0 million the second year from the federal Community Mental Health Services Block Grant for two Specialized Geriatric Mental Health Services pilot programs with the goal of providing discharge assistance to individuals transitioning from or diverting individuals from admission to state mental health geriatric units. Funds will be evenly split between the two geriatric mental health pilot projects, one located in Northern Virginia and one located on the Virginia Peninsula.	\$0	\$0
311 #3c	DMHM RSAS	Eliminate Office of Comm. Integration Disaster Plan Explanation: This amendment eliminates funding and one position contained in the introduced budget for the Office of Community Integration for disaster planning. Additional funding and positions are provided to the Virginia Department of Emergency Management for disaster planning.	\$0	(\$67,882) GF (1) FTE
327 #2c	DRS	Centers for Independent Living Explanation: This amendment provides an additional \$160,000 from the general fund in the second year to Centers for Independent Living (CILs) statewide to expand services to individuals with disabilities. Services include peer counseling, independent living skills training, advocacy, and information and referral. These services provided by CILs may prevent placement in nursing homes and other institutions.	\$0	\$160,000 GF
337 #1c	DSS	Increase Funding for Caregivers Grant Program Explanation: This amendment adds \$200,000 the second year from the general fund for the Caregivers Grant Program. Funding for the program would increase from \$500,000 to \$700,000 in the second year. This program provides up to \$500 each year for caregivers who provide unreimbursed care for a person who is aged, infirm, or disabled.	\$0	\$200,000
337 #2C	DSS	Increase Maximum Auxiliary Grant Rate to \$1,061 Explanation: This amendment provides funding to increase the state share of the maximum monthly auxiliary grant (AG) rate to \$1,061 by July 1, 2007. When combined with funding included in the Governor's introduced budget, the auxiliary grant will have increased by five percent from January 1, 2007 to July 1, 2007. This monthly auxiliary grant is the primary source of funding for assisted living for low-income Virginians. In June 2006, JLARC reported that Virginia's auxiliary grant rate was "well below the market price", paying for 33 to 59 percent of the average cost of assisted living facility care.	\$0	\$995,280 GF
340 #1c	DSS	Increase Community Action Agency Funding Explanation: This amendment provides \$250,000 from the general fund in the second year for community action agencies. Budget language is modified to reflect the addition of \$250,000 from the general fund the second year and \$400,000 from the general fund each year that was not reflected in the introduced budget. Funding was already included in the budget for the \$400,000 general fund increase but inadvertently left out of budget language.	\$0	\$250,000 GF

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			FY 06-07	FY 07-08
481 #1c	Non State	Foundation of Virginia Recreation & Park Society for the Virginia Senior Games	\$75,000 GF	\$75,000 GF
481 #1c	Non State	Jewish Council for the Aging	\$70,000 GF	\$49,100 GF
481 #1c	Non State	Oxbow Center	\$0	\$25,000 GF
481 #1c	Non State	Shenandoah Area Agency on Aging, Inc.	\$0	\$25,000 GF